

SENATE BILL REPORT

SB 6055

As of January 24, 2012

Title: An act relating to changing the expiration date of the current allowable vehicle documentary service charge.

Brief Description: Changing the expiration date of the current allowable vehicle documentary service charge.

Sponsors: Senators Eide, King, Hobbs, Haugen, Rolfes, Delvin, Fain, Shin and Conway.

Brief History:

Committee Activity: Transportation: 1/23/12.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Amanda Cecil (786-7429)

Background: Vehicle dealers may charge a documentary service fee to recover administrative costs. Administrative costs include collecting taxes and fees; verifying and clearing titles; transferring titles; and perfecting, satisfying, or releasing liens. A dealer can charge the documentary service fee under the following conditions: the dealer must disclose the fee in writing; the dealer must disclose in writing that the fee is negotiable; the dealer cannot represent that the fee is required by the state; the dealer must separately designate the fee from the selling price and other charges; and the dealer must disclose the fee in advertisements as an addition to the selling price.

The current document fee is up to \$150 per vehicle sale or lease until June 30, 2014. On July 1, 2014, the fee reverts to a maximum of \$50.

Summary of Bill: The vehicle dealer documentary service fee is permanently established at up to \$150.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is a simple and straightforward bill. This is a fee that is optional and negotiable; dealers have worked hard to meet the Legislature's expectations. They would like to see this rate increases made permanent.

Persons Testifying: PRO: Scott Hazlegrove, WA State Auto Dealers Assn.